

# **Elecon Engineering Company Limited**

**A** Anand-Sojitra Road, Vallabh Vidyanagar-388 120, Gujarat, India



## **ELECON ENGINEERING COMPANY LIMITED**

### **ELECON'S CODE OF PRACTICES, PROCEDURE AND CONDUCT TO REGULATE MONITOR AND REPORT TRADING BY INSIDERS**

**(Amended on 29<sup>th</sup> March, 2019)**

## Code of Conduct for Prevention of Insider Trading

This Code of Conduct may be known as "ELECON Code of Conduct for Prohibition of Insider Trading" (herein after referred to as the "Code of Conduct").

This code has been made pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015 and as amended from time to time and may be modified by the Board of Directors of the Company from time to time.

This Code has been designed to enhance the standards of governance and to comply with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 2015 and SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018.

### I. DEFINITIONS

1. **“Act”** means the Securities & Exchange Board of India Act, 1992 as may be amended from time to time.
2. **“Board”** means Board of Directors of the Company, Elecon Engineering Company Limited.
3. **“Code”** means this Code of Conduct of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of trading by insiders of the Company including modifications made thereto from time-to-time.
4. **“Company”** means Elecon Engineering Company Limited.
5. **“Compliance Officer”** mean
  - Company Secretary or such other Senior Officer, designated so and reporting to the Board of Directors;
  - who is financially literate and is capable of appreciating requirements for legal and regulatory compliance under these regulations; and
  - who shall be responsible for compliance of policies, procedures, maintenance of records, monitoring adherence to the rules for the preservation of unpublished price sensitive information, monitoring of trades and the implementation of the codes specified in these regulations under the overall supervision of the Board of Directors of the Company of the Listed Company or the head of the organization as the case may be.

6. “**Connected Person**” means –

- (i) Any person who is or has during the six months prior to the concerned act been associated with a company, directly or indirectly, in any capacity including by reason of frequent communication with its officers or by being in any contractual, fiduciary or employment relationship or by being a director, officer or an employee of the company or holds any position including a professional or business relationship between himself and the company whether temporary or permanent, that allows such person, directly or indirectly, access to unpublished price sensitive information or is reasonably expected to allow such access.
- (ii) Without prejudice to the generality of the foregoing, the persons falling within the following categories shall be deemed to be connected persons unless the contrary is established, -
  - (a) An immediate relative of connected persons specified in clause (i);  
or
  - (b) A holding company or associate company or subsidiary company;  
or
  - (c) An intermediary as specified in Section 12 of the Act or an employee or director thereof; or
  - (d) An investment company, trustee company, asset management company or an employee or director thereof; or
  - (e) An official of a stock exchange or of clearing house or corporation; or
  - (f) A member of board of trustees of a mutual fund or a member of the board of directors of the asset management company of a mutual fund or is an employee thereof; or
  - (g) A member of the board of directors or an employee, of a public financial institution as defined in Section 2 (72) of the Companies Act, 2013; or
  - (h) An official or an employee of a self-regulatory organization recognised or authorized by the Board; or
  - (i) A banker of the company; or
  - (j) A concern, firm, trust, Hindu undivided family, company or association of persons wherein a director of a company or his immediate relative or banker of the company, has more than ten per cent. of the holding or interest;

7. “**Designated Person**” means those persons who are specified by the Board in consultation with the Compliance Officer on the basis of their role and function in the organisation and the access that such role and function would provide to Unpublished Price Sensitive Information in addition to seniority and professional designation and shall include:

- (i) All Directors whether executive, non-executive or independent;

- (ii) Chief Executive Officer (CEO), Chief Financial Officer (CFO) and Company Secretary and Compliance Officer (CS);
  - (iii) All employees of in Finance, Accounts, Secretarial and Legal Department as may be determined and informed by the Compliance Officer;
  - (iv) All employees of General Manager cadre and above in all other Departments of the Company and employees of Material Subsidiaries of the Company designated on the basis of their functional role or access to Unpublished Price Sensitive Information;
  - (v) Employees of the Company upto two levels below CEO [in addition to abovesaid Point (iii) & (iv)];
  - (vi) Promoters and Members of the Promoter Group of the Company;
  - (vii) Such other employees/persons as may be determined by the Compliance Officer /CFO/Managing Director of the Company from time-to-time.
8. **"Generally available information"** means information that is accessible to the public on a non-discriminatory basis;
9. **"Immediate relative"** means a spouse of a person, and includes parent, sibling, and child of such person or of the spouse, any of whom is either dependent financially on such person, or consults such person in taking decisions relating to trading in securities;
10. **"Insider"** means any person who is;
- i) a connected person; or
  - ii) in possession of or having access to unpublished price sensitive information;
  - iii) in receipt of Unpublished Price Sensitive Information pursuant to a Legitimate Purpose.
11. **"Legitimate Purpose"** shall include sharing of unpublished price sensitive information in the ordinary course of business by an insider with following, provided that such sharing has not been carried out to evade or circumvent the prohibitions of these regulations:-
- partners,
  - collaborators,
  - lenders,
  - customers,
  - suppliers,
  - merchant bankers,
  - legal advisors,
  - auditors (Statutory, Internal, Con-current, Branch, Cost, Secretarial, GST, Tax or any other Auditor as may be applicable to the Company from time to time)

# Elecon Engineering Company Limited

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- insolvency professionals
  - merchant bankers
  - Any other advisors or consultants or partners
12. **“Material Subsidiary”** means a Subsidiary of the Company if the income or net worth of the Subsidiary exceeds ten percent of the consolidated income or net worth, respectively, of the Company and its Subsidiaries in the immediately preceding accounting year.
  13. **"Promoter"** shall have the meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 or any modification thereof;
  14. **"Promoter Group"** shall have the meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 or any modification thereof;
  15. **“Proposed to be listed”** shall include securities of an unlisted company:
    - (i) if such unlisted company has filed offer documents or other documents, as the case may be, with SEBI, stock exchange(s) or Registrar of Companies in connection with the listing; or
    - (ii) if such unlisted company is getting listed pursuant to any merger or amalgamation and has filed a copy of such scheme of merger or amalgamation under the Companies Act, 2013; ”
  16. **“Regulations”** means Securities and Exchange Board of India (Prohibition of Insider Trading), Regulations 2015 read with Securities and Exchange Board of India (Prohibition of Insider Trading), (Amendment) Regulations, 2018 and as amended from time to time.
  17. **"Securities"** shall have the meaning assigned to it under the Securities Contracts (Regulation) Act, 1956 (42 of 1956) or any modification thereof except units of a mutual fund;
  18. **"Specified"** means specified by the Board in writing;
  19. **“Subsidiary”** shall mean a subsidiary as defined under the Companies Act, 2013;
  20. **“Takeover Regulations”** means the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and any amendments thereto;
  21. **"Trading"** means and includes subscribing, buying, selling, dealing, or agreeing to subscribe, buy, sell, deal in any securities, and "trade" shall be construed accordingly;

22. **“Trading day”** means a day on which the recognized stock exchanges are open for trading;
23. **"Trading Window"** means the period during which, trading in the Company's shares by Insiders shall be permissible.
24. **"Unpublished Price Sensitive Information" or “UPSI”** means any information, relating to the Company or its securities, directly or indirectly, that is not generally available which upon becoming generally available, is likely to materially affect the price of the securities and shall, ordinarily including but not restricted to, information relating to the following: –
  - (i) financial results;
  - (ii) dividends;
  - (iii) change in capital structure;
  - (iv) mergers, de-mergers, acquisitions, delistings, disposals and expansion of business and such other transactions; and
  - (v) changes in key managerial personnel.

## II. INTERPRETATION

- 1) Words and expressions used and not defined in these regulations but defined in the Securities and Exchange Board of India Act, 1992 (15 of 1992), the Securities Contracts (Regulation) Act, 1956 (42 of 1956), the Depositories Act, 1996 (22 of 1996) or the Companies Act, 2013 (18 of 2013) and rules and regulations made thereunder shall have the meanings respectively assigned to them in those legislations.
- 2) This Code can be modified/amended/alterd only by Board of Directors of the Company. It was originally approved on 1<sup>st</sup> May, 2015 and amended on 3<sup>rd</sup> August, 2018 by the Board of Directors. Lastly the Code has been amended by the Board of Directors of the Company on 29<sup>th</sup> March, 2019.
- 3) But in case of any statutory modification or amendment or alteration of the provisions of Securities and Exchange Board of India (Prohibition of Insider Trading), Regulations 2015, the newly modified/amended/alterd provisions of the Regulation shall be deemed to be implemented in the Code immediately with effect from the date of the statutory notification for modification or amendment or alteration etc.

The amended code should be placed before the Board of Directors of the Company immediately after the date of statutory notification for modification/amendment/alteration etc. of the Regulation for their noting.

## III. APPLICABILITY

This Code shall be applicable to all the Directors / Officers / Employees/ Designated Persons, present and future and other persons, if any specified in this Code.

## IV. CODE

### 1.0 Compliance Officer

- 1.1 The Company Secretary of the Company shall act as the Compliance Officer for the purpose of this Code.
- 1.2 The Compliance Officer shall be responsible for compliance of policies, procedures, maintenance of records, monitoring adherence to the rules for the preservation of Unpublished Price Sensitive Information, monitoring of trades and the implementation of the codes specified in the Regulations under the overall supervision of the Board.
- 1.3 The Compliance Officer shall maintain a record of the Insiders and any changes made in the list of Insiders.
- 1.4 The Compliance Officer shall assist all the employees in addressing any clarifications regarding the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 read with Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendments) Regulations, 2018 and as amended from time to time and the company's code of conduct.
- 1.5 The Compliance Officer shall report on insider trading to the Board and to the Chairman of the Audit Committee on annual basis.

### 2.0 Preservation of Confidentiality of Unpublished Price Sensitive Information (UPSI) / Confidential Information

- 2.1 Insiders and their Immediate Relatives shall not communicate, provide, or allow access to any Unpublished Price Sensitive Information, relating to a company or securities listed or proposed to be listed, to any person including other Insiders except where such communication is in furtherance of Legitimate Purposes, performance of duties or discharge of legal obligations.
- 2.2 No person shall procure from or cause the communication by any Insider of Unpublished Price Sensitive Information, relating to a company or securities listed or proposed to be listed, except in furtherance of Legitimate Purposes, performance of duties or discharge of legal obligations.
- 2.3 Notwithstanding anything contained in the Regulation, Unpublished Price Sensitive Information may be communicated, provided, allowed access to or procured, in connection with a transaction that would:-
  - 2.3.1 entail an obligation to make an open offer under the Takeover Regulations where the Board is of informed opinion that sharing of such information is in the best interests of the Company;

2.3.2 not attract the obligation to make an open offer under the Takeover Regulations but where the Board is of the informed opinion that sharing of such information is in the best interests of the Company and the information that constitutes Unpublished Price Sensitive Information is disseminated and made generally available at least two Trading Days prior to the proposed transaction being effected in such form as the Board may determine to be adequate and fair to cover all relevant and material facts.

2.4 All information shall be handled within the Company on a need-to-know basis and no UPSI shall be communicated to any person except in furtherance of the legitimate purposes, performance of duties or discharge of legal obligations.

2.5 The Company has put in place policies and procedures (hereinafter referred as Chinese Walls) to manage UPSI and prevent the inadvertent spread and misuse of UPSI. Chinese Walls are designed to curb on passing of UPSI. Employees, who are in possession of UPSI, have a responsibility to ensure that UPSI should not be shared or disclosed to any persons except in accordance with their legal obligations. All non-public information directly / indirectly received by any employee should immediately be reported to the head of the department. Management shall ensure that appropriate policies, procedures and physical arrangements are implemented for the relevant businesses and that these are complied with by all affected employees. Local policies should address not only the maintenance of Chinese Walls and how these implemented and controlled but also procedures for crossing the wall. The establishment of Chinese Walls is not intended to suggest that within Insider areas material, confidential information can circulate freely. Within Insider areas, the 'need-to-know' policy is fully in effect.

2.6 Confidential Information / UPSI shall be kept with adequate security.

### 3.0 Trading when in possession of unpublished price sensitive information

When a person who has traded in securities has been in possession of Unpublished Price Sensitive Information, his trades would be presumed to have been motivated by the knowledge and awareness of such information in his possession;

(1) No Insider shall trade in securities that are listed or proposed to be listed on a stock exchange when in possession of Unpublished Price Sensitive Information.

Provided that the Insider may prove his innocence by demonstrating the circumstances including the following : –

(i) the transaction is an off-market inter-se transfer between Insiders who were in possession of the same Unpublished Price Sensitive Information



without being in breach of Regulation 3 of the Regulations and both parties had made a conscious and informed trade decision;

Provided that such unpublished price sensitive information was not obtained under Sub-Regulation (3) of Regulation 3 of the Regulations.

Provided further that such off-market trades shall be reported by the Insiders to the Company within two working days. Every company shall notify the particulars of such trades to the stock exchange on which the securities are listed within two trading days from receipt of the disclosure or from becoming aware of such information.

- (ii) the transaction was carried out through the block deal window mechanism between persons who were in possession of the Unpublished Price Sensitive Information without being in breach of regulation 3 of the Regulations and both parties had made a conscious and informed trade decision;

Provided that such Unpublished Price Sensitive Information was not obtained by either person under sub-regulation (3) of Regulation 3 of the Regulations.

- (iii) the transaction in question was carried out pursuant to a statutory or regulatory obligation to carry out a bona fide transaction.
- (iv) the transaction in question was undertaken pursuant to the exercise of stock options in respect of which the exercise price was pre-determined in compliance with applicable regulations.
- (v) in the case of non-individual insiders: –
  - (a) the individuals who were in possession of such Unpublished Price Sensitive information were different from the individuals taking trading decisions and such decision-making individuals were not in possession of such Unpublished Price Sensitive Information when they took the decision to trade; and
  - (b) appropriate and adequate arrangements were in place to ensure that these regulations are not violated and no Unpublished Price Sensitive Information was communicated by the individuals possessing the information to the individuals taking trading decisions and there is no evidence of such arrangements having been breached;
- (vi) the Trades were pursuant to a trading plan set up in accordance with Regulation 5 of the Regulations.

- (2) In the case of Connected Persons the onus of establishing, that they were not in possession of Unpublished Price Sensitive Information, shall be on such Connected Persons and in other cases, the onus would be on the Board.
- (3) The Board may specify such standards and requirements, from time to time, as it may deem necessary for the purpose of these regulations.

## **4.0 Trading Plan**

**4.1** An Insider shall be entitled, at his option, to formulate a trading plan for dealing in securities of the Company and present it to the Compliance Officer for approval and public disclosure pursuant to which trades may be carried out with such plan.

Such trading plan shall:

- (i) not entail commencement of trading on behalf of the Insider earlier than six months from the public disclosure of the plan;
- (ii) not entail trading for the period between the twentieth trading day prior to the last day of any financial period for which results are required to be announced by the issuer of the securities and the second trading day after the disclosure of such financial results;
- (iii) entail trading for a period of not less than twelve months;
- (iv) not entail overlap of any period for which another trading plan is already in existence;
- (v) set out either the value of trades to be effected or the number of securities to be traded along with the nature of the trade and the intervals at, or dates on which such trades shall be effected; and
- (vi) not entail trading in securities for market abuse

**4.2** The Compliance Officer shall review such trading plan to assess whether the plan would have any potential for violation of these regulations and shall be entitled to seek such express undertakings as may be necessary to enable such assessment and to approve and monitor the implementation of the plan.

Provided that pre-clearance of trades shall not be required for a trade executed as per an approved trading plan.

Provided further that trading window norms and restrictions on contra trade shall not be applicable for trades carried out in accordance with an approved trading plan.

**4.3** The trading plan once approved shall be irrevocable and the Insider shall mandatorily have to implement the plan, without being entitled to either deviate from it or to execute any trade in the securities outside the scope of the trading plan.

However, the implementation of the trading plan shall not be commenced, if any UPSI in possession of the Insider at the time of formulation of the plan has not become generally available at the time of the commencement of implementation and in such event the Compliant Officer shall confirm that the commencement ought to be deferred until such UPSI becomes generally available information so as to avoid a violation of sub-regulation (1) of regulation 4.

**4.4** Upon approval of the trading plan, the Compliance Officer shall notify the plan to the stock exchanges on which the securities are listed.

**4.5** A notional window shall be used as an instrument of monitoring trading by Designated Persons. The Compliance Officer should close trading window when he determines that a Designated Person or class of Designated Persons can reasonably be expected to have possession of UPSI. Such closure shall be imposed in relation to such securities to which such UPSI relates. During closure of notional window, Designated Persons and their immediate relatives shall not trade in securities when the trading window is closed.

## **5.0 Prevention of misuse of “Price Sensitive Information”.**

**5.1** All directors/officers and designated employees of the company shall be subject to trading restrictions as enumerated below.

### **5.2 Trading Window**

**5.2.1** The trading window shall be closed at least 7 days prior to UPSI being communicated, provided or being made available to the public.

**5.2.2** During closure of trading window, Designated Persons and their Immediate Relatives shall not trade in the securities of the Company.

Designated persons may execute trades subject to compliance with the Regulations and this Code. Towards this end, a notional trading window shall be used as an instrument of monitoring trading by the Designated Persons. The trading window shall be closed when the Compliance Officer determines that a Designated Person or class of Designated Persons can reasonably be expected to have possession of Unpublished Price Sensitive Information. Such closure shall be imposed in relation to such securities to which such Unpublished Price Sensitive Information relates. Designated Persons and their Immediate Relatives shall not trade in securities when the trading window is closed.

**5.2.3** After taking into account various factors including UPSI in question becoming generally available and being capable of assimilation by the market, the Compliance Officer shall determine timing of re-opening of

the trading window however in any event it shall be forty-eight hours after the information becomes generally available.

**5.2.4** All directors/officers/designated employees of the Company shall conduct all their dealings in the securities of the Company only when the trading window is open and shall not deal in any transaction involving the purchase or sale of the company's securities during the periods when trading window is closed or during any other period as may be specified by the Company from time to time.

## **6.0 Pre-clearance of trades**

- 6.1** When the trading window is open, any Designated Person shall trade in Securities of the Company subject to pre-clearance by the Compliance Officer if the value of the proposed trades is above Rs.10 Lakhs.
- 6.2** Designated Person who proposes to execute trade in Securities of the Company shall submit an application duly filled and signed to the Compliance Officer. The format of application is annexed as Annexure "I".
- 6.3** Prior to approving any trades, the Compliance Officer shall seek declarations to the effect that the applicant for pre-clearance is not in possession of any UPSI. He shall also have regard to whether any such declaration is reasonably capable of being rendered inaccurate.
- 6.4** The Compliance Officer shall approve / reject pre-clearance application within four days in Annexure "II".
- 6.5** Designated Person shall execute pre-cleared trade within seven trading days from approval and shall report his trade details to Compliance Officer in Annexure "III" within 2 trading days from the trade. In case of non-trading, Designated Person shall report his decision of non-trading along with reasons to Compliance Officer in Annexure "III".
- 6.6** In case of failure in executing trade within seven trading days, Designated Person shall be required to take fresh pre-clearance for the trades to be executed in Annexure "I".
- 6.7** Designated Person who is permitted to trade shall not execute a contra trade within next six months from previous transaction. The Compliance Officer is empowered to grant relaxation from strict application of such restriction for reasons to be recorded in writing without violating the Regulations. If contra trade is executed, inadvertently or otherwise, in violation of such a restriction, the profits from such trade shall be liable to be disgorged for remittance to the Securities and Exchange Board of India for credit to the Investor Protection and Education Fund.

Provided that this shall not be applicable for trades pursuant to exercise of stock options.

## 7.0 Code of Fair Disclosure and Conduct

- 7.1** UPSI which will impact on price of Security shall be promptly disclosed to general public.
- 7.2** UPSI shall be not be disseminated selectively but it should be disseminated uniformly and universally.
- 7.3** Compliance Officer shall be a chief investor relations officer to deal with dissemination of information and disclosure of UPSI.
- 7.4** The Company shall give appropriate and fair response to queries on news reports and requests for verification of market rumours by regulatory authorities.
- 7.5** The following practice shall be complied while meeting with analysts, institutional investors and other investor relations conferences:
- 7.5.1** No UPSI shall be shared with them and only information available in public domain shall be shared.
- 7.5.2** Any of the designated company official(s) shall remain present during meeting with them.
- 7.5.3** Transcripts or records of proceedings of meeting with them shall be placed on website of the Company within 30 days from meeting.
- 7.6** All UPSI shall be handled on a need-to-know basis and no Unpublished Price Sensitive Information shall be communicated to any person except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.

Any person in receipt of Unpublished Price Sensitive Information pursuant to “a Legitimate Purpose” shall be considered an “Insider” for purposes of the Regulations and due notice shall be given to or confidentiality agreements shall be signed with such persons to maintain confidentiality of such Unpublished Price Sensitive Information in compliance with the Regulations.

### 7.6.1 Digital Database:-

The Chief Investor Relations Officer shall be responsible to maintain a structured digital database of such persons/entities as the case may be with whom information is shared under the Regulations, which shall contain following information:-

- Name of such recipient(s) of UPSI;
- Name of the Organisation or Entity to whom recipient represent;
- Postal Address and E-mail ID of such recipient
- The Permanent Account Number or any other identifier authorized by law if Permanent Account Number is not available.

7.6.2 The Chief Investor Relations Officer shall also be responsible to ensure that such database shall be maintained with adequate internal controls

and checks such as time stamping and audit trails to ensure non-tampering of the database.

## **8.0 Disclosure by Certain Persons**

### **8.1 Initial Disclosure**

**8.1.1** Every promoter, Member of Promoter Group, key managerial personnel, director of the Company, Designated Person of the company shall disclose his holding of securities as on May 15, 2015 to the Company within 30 days from May 15, 2015 in Form A.

**8.1.2** Every person on appointment as a key managerial personnel or a director of the Company or upon becoming a promoter or Member of Promoter Group holding of Securities as on the date of appointment or becoming a Promoter or Member of Promoter Group to the Company within seven days of such appointment or becoming a Promoter in Form B.

### **8.2 Continual Disclosure**

**8.2.1** Every promoter, Member of Promoter Group, director, Key Managerial Personnel and Designated Person of the Company shall disclose to the Company the number of such Securities acquired or disposed of by them or their immediate relatives within two trading days of such transaction if the value of the Securities traded, whether in one transaction or a series of transactions over any calendar quarter, aggregates to a traded value in excess of Rs.10 Lakhs in Form C.

**8.2.2** The Company shall notify the particulars of such trading to the stock exchange on which the securities are listed within two working days of receipt of the disclosure or from becoming aware of such information.

### **8.3 Annual Disclosure**

Every promoter, director and Designated Person of the Company shall disclose their holding of Securities on annual basis within 60 days from conclusion of every financial year of the Company in Annexure IV alongwith names and Permanent Account Number or any other identifier authorized by law of the following persons to the company on an annual basis and as and when the information changes:

- a) Immediate Relatives
- b) persons with whom such Designated Person(s) shares a material financial relationship
- c) Phone, mobile and cell numbers which are used by them.

In addition, the names of educational institutions from which Designated Persons have graduated and names of their past employers shall also be disclosed on a one time basis.

Explanation – The term “material financial relationship” shall mean a relationship in which one person is a recipient of any kind of payment such as by way of a loan or gift during the immediately preceding twelve months, equivalent to at least 25% of such payer’s annual income but shall exclude relationships in which the payment is based on arm’s length transactions.

#### **8.4 Disclosure by other Connected Persons:-**

The Company may require any other Connected Person or Class of Connected Persons to make disclosures of holdings and trading in securities of the Company in such form and at such frequency as may be determined by the Compliance Officer/CFO/MD of the Company in order to monitor compliance with the Regulations.

### **9.0 Penalty for contravention of the Code**

- 9.1** Any Designated Persons who contravenes the Code shall be penalised and shall also be subject to disciplinary action by the Company, which may include wage freeze, suspension, recovery, clawback etc.
- 9.2** Any Designated Person who contravenes the Code may be penalized and appropriate action may be taken by the Company after due inquiry proceedings by Audit Committee conducted in accordance with the Whistle Blower Policy of the Company in case of the instances of leakage or suspected leak of Unpublished Price Sensitive Information.
- 9.3** The Company shall promptly inform Securities and Exchange Board of India regarding any violation of the Code.
- 9.4** The action by the Company shall not preclude SEBI from taking any action in case of violation of SEBI (Prohibition of Insider Trading) Regulations, 2015 and SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018.

## **V. GENERAL**

Employees are advised to pursue the Code and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendments) Regulations, 2018 as amended from time to time, carefully and acquaint themselves with all the provisions contained therein. The Compliance Officer will be available for clarification / assistance that may be necessary.

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## Annexure “I”

### Application cum Undertaking for Pre-clearance

Date:

To,  
The Compliance Officer,  
Elecon Engineering Company Limited  
Vallabh Vidyanagar

### Sub: Application for Pre-dealing in securities of the Company

Dear Sir / Madam,

With reference to Elecon’s Code of Practices Procedure and Conduct to Regulate, Monitor and Report Trading by Insiders, I \_\_\_\_\_, \_\_\_\_\_(Designation & Dept.) of the Company, would like to purchase / sale \_\_\_\_\_ equity shares of the Company as per details given below:

| Sr. No. | Particulars                                    |  |
|---------|--|--|
| 1       | No. of Securities held as on application date  |  |
| 2       | DP & Client ID / Folio No.                     |  |
| 3       | No./Value of Securities to be purchased / sold |  |
| 4       | Name of person who proposed to trade           |  |

I hereby declare that I am not in possession of any UPSI.

In the event that I have access to or received any UPSI, after the signing of this application but before executing trade for which approval is sought, I shall inform the Compliance Officer about the same and shall completely refrain from dealing in the Securities until such UPSI becomes publicly available. Thereafter I will submit fresh application for executing a trade.

I also hereby declare that I have not contravened any provision of the Code of Conduct.

Further I undertake to submit report on trade within 2 days from date of execution of trade or submit a ‘Nil’ report if no trade was executed.

After approval, I shall execute a trade within 7 trading days from of the receipt of approval trade failing which I shall seek pre-clearance again.

Your faithfully,

Signature : \_\_\_\_\_  
(Name of Employee)



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### Annexure "II"

#### Approval / Rejection of Pre- Clearance

Date:

To,  
Name:  
Designation:

Dear Sir / Madam,

With reference to your Application cum Undertaking for Pre-clearance dated\_\_\_\_\_, we would like to inform you that your application to purchase / sale \_\_\_\_\_equity shares of the Company is hereby approved / rejected. Now, you can execute your trade within 7 trading days i.e.\_\_\_\_\_. Further, you are required to submit a report your trade details within two trading days from trade. Or In case, no trade was executed, you are required to submit a 'Nil' report.

In case, you do not execute a trade before \_\_\_\_\_, you shall submit a fresh pre-clearance application before executing any transaction in the Securities of the Company.

Thanking you,

Yours faithfully,  
For, **Elecon Engineering Company Limited**

**Compliance Officer**

# Elecon Engineering Company Limited

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## Annexure “III”

### Reporting of Trade / Transaction

To,  
The Compliance Officer,  
Elecon Engineering Company Limited  
Vallabh Vidyanagar

Dear Sir / Madam,

According to approval of pre-clearance dated \_\_\_\_\_, I have executed a trade / transaction on \_\_\_\_\_(date). The detail of said trade / transaction is as under:

| Name of holder | No. of Securities purchased / sold | Average Gross Price per Securities (in Rs.) | DP ID & Client ID / Folio No. |
|----------------|------------------------------------|---|-------------------------------|
|                |                                    |   |                               |
|                |                                    |   |                               |

Further I enclose herewith copy of Contract Note for your ready reference.

I declare that the above information is correct and that no provision of the Code of Conduct has been violated while executing aforesaid trade / transaction.

I also declare that I have complied with the requirements of minimum period of 6 months for entering into an opposite transactions in respect of said Securities.

Or

According to approval of pre-clearance dated \_\_\_\_\_, I have not executed a trade / transaction due to \_\_\_\_\_(reason of non-trading).

I will take fresh pre-clearance for trades as and when I propose to trade in Securities of the Company.

Signature : \_\_\_\_\_

Name:

Designation:

# Elecon Engineering Company Limited

A Anand-Sojitra Road, Vallabh Vidyanagar-388 120, Gujarat, India



Annexure 'IV'

## Annual Disclosure of Interest or Holding

DATE:- \_\_\_\_\_

To,  
The Compliance Officer,  
Elecon Engineering Company Limited  
Anand-Sojitra Road  
Vallabh Vidyanagar - 388120

Dear Sir / Madam,

In terms of the provisions of the "Code of Internal Procedure & Conduct for Prevention of Insider Trading in Shares of the Company", I, in my capacity as "Director/Officer /Designated Employees" of the Company, hereby inform you about the securities /voting rights held by me as on **31<sup>st</sup> March, \_\_\_\_\_** as per particulars given under:-

Type of Securities:-Equity Shares

| Name of the Holder | Folio No. Client ID No. | DP ID No. | Distinctive Nos. | No. of Securities | % to Total |
|--------------------|-------------------------|-----------|------------------|-------------------|------------|
|                    |                         |           |                  |                   |            |
|                    |                         |           |                  |                   |            |

I also inform you about the names of persons who are to be considered as my Dependent Family Members and their holdings details of which are given below:-

| Name of Family Member | Relationship | Folio No. Client ID No. | DP ID No. | Distinctive Nos. | No. of Securities | % to Total |
|-----------------------|--------------|-------------------------|-----------|------------------|-------------------|------------|
|                       |              |                         |           |                  |                   |            |
|                       |              |                         |           |                  |                   |            |
|                       |              |                         |           |                  |                   |            |

I declare that the above dealing was not on the basis of any unpublished Price Sensitive Information of the Company.

I do hereby declare that what is stated above is true to the best of my knowledge and belief.

Yours faithfully,

Signature : \_\_\_\_\_

Name : \_\_\_\_\_

Designation: : \_\_\_\_\_

# Elecon Engineering Company Limited

A Anand-Sojitra Road, Vallabh Vidyanagar-388 120, Gujarat, India



## FORM A

### SEBI (Prohibition of Insider Trading) Regulations, 2015

[Regulation 7 (1) (a) read with Regulation 6 (2) – Initial disclosure to the company]

Name of the company: Elecon Engineering Company Limited

ISIN of the company: INE 205B01023

### Details of Securities held by Promoter, Key Managerial Personnel (KMP), Director and other such persons as mentioned in Regulation 6(2)

| Name, PAN, CIN/DIN & address with contact nos. | Category of Person (Promoters/ KMP/ Directors/immediate relative to/others etc) | Securities held as on the date of regulation coming into force             |     | % of Shareholding |
|--|---|--|-----|-------------------|
|  |   | Type of security (For eg. - Shares, Warrants, Convertible Debentures etc.) | No. |                   |
| 1  | 2   | 3  | 4   | 5                 |
|  |   |  |     |                   |

*Note: "Securities" shall have the meaning as defined under regulation 2(1)(i) of SEBI (Prohibition of Insider Trading) Regulations, 2015.*

### Details of Open Interest (OI) in derivatives of the company held by Promoter, Key Managerial Personnel (KMP), Director and other such persons as mentioned in Regulation 6(2)

| Open Interest of the Future contracts held as on the date of regulation coming into force |  |                               | Open Interest of the Option Contracts held as on the date of regulation coming into force |  |                               |
|---|--|-------------------------------|---|--|-------------------------------|
| Contract Specifications   | Number of units (contracts * lot size) | Notional value in Rupee terms | Contract Specifications   | Number of units (contracts * lot size) | Notional value in Rupee terms |
| 6   | 7                                      | 8                             | 9   | 10                                     | 11                            |
|   |  |                               |   |  |                               |

*Note: In case of Options, notional value shall be calculated based on premium plus strike price of Options*

Name & Signature:

Designation:

Date:

Place:

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# Elecon Engineering Company Limited

A Anand-Sojitra Road, Vallabh Vidyanagar-388 120, Gujarat, India



## FORM B

### SEBI (Prohibition of Insider Trading) Regulations, 2015 [Regulation 7 (1) (b) read with Regulation 6(2) – Disclosure on becoming a Director / KMP/Promoter]

Name of the company: Elecon Engineering Company Limited

ISIN of the company: INE 205B01023

**Details of Securities held on appointment of Key Managerial Personnel (KMP) or Director or upon becoming a Promoter of a listed company and other such persons as mentioned in Regulation 6(2).**

| Name, PAN, CIN/DIN & address with contact nos. | Category of Person (Promoters/ KMP/ Directors/immediate relative to/others etc) | Date of appointment of Director /KMP OR Date of becoming Promoter | Securities held as on the date of regulation coming into force             |     | % of Shareholding |
|--|---|---|--|-----|-------------------|
|  |   |   | Type of security (For eg. – Shares, Warrants, Convertible Debentures etc.) | No. |                   |
| 1  | 2   | 3   | 4  | 5   | 6                 |
|  |   |   |  |     |                   |

*Note: “Securities” shall have the meaning as defined under regulation 2(1)(i) of SEBI (Prohibition of Insider Trading) Regulations, 2015.*

**Details of Open Interest (OI) in derivatives of the company held on appointment of Key Managerial Personnel (KMP) or Director or upon becoming a Promoter of a listed company and other such persons as mentioned in Regulation 6(2).**

| Open Interest of the Future contracts held at the time of becoming Promoter/appointment of Director/KMP |  |                               | Open Interest of the Option Contracts held at the time of becoming Promoter/appointment of Director/KMP |  |                               |
|---|--|-------------------------------|---|--|-------------------------------|
| Contract Specifications   | Number of Units (contracts * lot size) | Notional value in Rupee terms | Contract Specifications   | Number of units (contracts * lot size) | Notional value in Rupee terms |
| 7   | 8                                      | 9                             | 10  | 11                                     | 12                            |
|   |  |                               |   |  |                               |

*Note: In case of Options, notional value shall be calculated based on premium plus strike price of Options*

Name & Signature:

Designation:

Date:

Place:

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# Elecon Engineering Company Limited

A Anand-Sojitra Road, Vallabh Vidyanagar-388 120, Gujarat, India



## FORM C

### SEBI (Prohibition of Insider Trading) Regulations, 2015 [Regulation 7 (2) read with Regulation 6(2) – Continual disclosure]

Name of the company: Elecon Engineering Company Limited

ISIN of the company: INE 205B01023

**Details of change in holding of Securities of Promoter, Employee or Director or Designated Person of a listed company and other such persons as mentioned in Regulation 6(2).**

| Name, PAN, CIN/DIN, & address with contact nos. | Category of Person (Promoters/ KMP / Directors/ immediate Relative to/others etc.) | Securities held prior to acquisition /disposal                             |                           | Securities acquired/Disposed   |     |       |   | Securities held post acquisition/disposal                                  |                           | Date of allotment advice/ acquisition of shares/ sale of shares specify |    | Date of Intimation to company | Mode of acquisition / disposal (on market/public/rights/ preferential offer / off market/ Inter-se transfer, ESOPs etc.) |
|---|--|--|---------------------------|--|-----|-------|---|--|---------------------------|---|----|-------------------------------|--|
|   |  | Type of security (For eg. – Shares, Warrants, Convertible Debentures etc.) | No. and % of shareholding | Type of security (For eg. – Shares, Warrants, Convertible Debentures etc.) | No. | Value | Transaction Type (Buy/ Sale/ Pledge / Revoke/ Invoke) | Type of security (For eg. – Shares, Warrants, Convertible Debentures etc.) | No. and % of shareholding | From  | To |                               |  |
| 1   | 2  | 3  | 4                         | 5  | 6   | 7     | 8   | 9  | 10                        | 11  | 12 | 13                            | 14   |
|   |  |  |                           |  |     |       |   |  |                           |   |    |                               |  |

**Note:** “Securities” shall have the meaning as defined under regulation 2(1)(i) of SEBI (Prohibition of Insider Trading) Regulations, 2015.

## Elecon Engineering Company Limited

A Anand-Sojitra Road, Vallabh Vidyanagar-388 120, Gujarat, India



Details of trading in derivatives of the company by Promoter, Employee or Director of a listed company and other such persons as mentioned in Regulation 6(2).

| Trading in derivatives (Specify type of contract, Futures or Options etc) |                         |                |  |                |  | Exchange on which the trade was executed |
|---|-------------------------|----------------|--|----------------|--|--|
| Type of contract  | Contract specifications | Buy            |  | Sell           |  |  |
|   |                         | Notional Value | Number of units (contracts * lot size) | Notional Value | Number of units (contracts * lot size) |  |
| 15  | 16                      | 17             | 18                                     | 19             | 20                                     | 21                                       |
|   |                         |                |  |                |  |  |

*Note: In case of Options, notional value shall be calculated based on Premium plus strike price of options.*

Name & Signature:

Designation:

Date:

Place:

\*\*\*\*\*